

HONDA

INTERIM BUSINESS REPORT FOR THE FIRST-HALF TERM (SIX MONTHS ENDED SEPTEMBER 30, 2003) OF THE 80TH FISCAL PERIOD

(This is a translation of summary information of the interim business report in the Japanese language which is contained in the November 2003 issue of “Honda Kabunushi Tsushin” (News for Stockholders), mailed on November 21, 2003, to holders of Honda Common Stock in Japan.)

**HONDA MOTOR CO., LTD.
(HONDA GIKEN KOGYO KABUSHIKI KAISHA)
TOKYO, JAPAN**

CONTENTS

Consolidated Financial Summary	1
Unit Sales Breakdown.....	1
Net Sales Breakdown.....	2
Business Segment Information	3
Geographical Segment Information.....	3
Five-Year Financial Results.....	4
Consolidated Statements of Income.....	5
Consolidated Balance Sheets	6
Consolidated Statements of Cash Flows.....	8
Explanatory Notes.....	9
Consolidated Statements of Cash Flows Divided into Non-financial Services Businesses and Finance Subsidiaries (Unaudited)	10
Unconsolidated Financial Section.....	11
Unconsolidated Balance Sheets	12
Unconsolidated Statements of Income.....	14
Common Stock Information	15
Breakdown of Stockholders.....	15
Principal Stockholders	15
Five-Year Financial Results (Unconsolidated).....	16
Board of Directors.....	17

CONSOLIDATED FINANCIAL SUMMARY

For the six months ended September 30, 2003 and 2002
and forecasts for the fiscal year ending March 31, 2004
Honda Motor Co., Ltd. and Subsidiaries

Financial Highlights	Yen (millions)		U.S. dollar (millions)	Yen (millions)
	Six months ended September 30, 2003	% change	Six months ended September 30, 2002	Six months ended September 30, 2003
Net sales and other operating revenue	¥4,025,431	4.5%	¥3,853,611	\$36,184
Operating income.....	301,871	(6.8)	323,869	2,713
Income before income taxes	331,881	21.3	273,701	2,983
Net income.....	239,178	22.8	194,779	2,150

FORECASTS*
Fiscal year ending
March 31, 2004

	Yen		U.S. dollar	Yen
	Six months ended September 30, 2003	Six months ended September 30, 2002	Six months ended September 30, 2003	Fiscal year ending March 31, 2004
Basic net income per common share	¥249.34	¥199.98	\$2.24	
Basic net income per American share.....	124.67	99.99	1.12	
Cash dividend per common share	19	16		¥38

UNIT SALES BREAKDOWN

For the six months ended September 30, 2003 and 2002
and forecasts for the fiscal year ending March 31, 2004
Honda Motor Co., Ltd. and Subsidiaries

	Units (thousands)		
	Six months ended September 30, 2003	Six months ended September 30, 2002	FORECASTS* Fiscal year ending March 31, 2004
Motorcycles:			
Japan	214	215	425
(motorcycles included above).....	(214)	(215)	(425)
North America	239	291	670
(motorcycles included above).....	(122)	(138)	(367)
Europe.....	158	155	280
(motorcycles included above).....	(153)	(150)	(274)
Asia.....	3,189	2,817	6,880
(motorcycles included above).....	(3,189)	(2,817)	(6,880)
Others	419	389	825
(motorcycles included above).....	(414)	(384)	(820)
Total.....	4,219	3,867	9,080
(motorcycles included above).....	(4,092)	(3,704)	(8,766)
Automobiles:			
Japan	329	426	765
North America.....	782	732	1,565
Europe.....	113	104	220
Asia.....	163	95	355
Others	56	49	130
Total.....	1,443	1,406	3,035
Power Products:			
Japan	245	252	475
North America.....	1,053	900	2,245
Europe.....	421	424	1,260
Asia.....	317	312	865
Others	159	118	235
Total.....	2,195	2,006	5,080

Explanatory notes: 1. The geographical breakdown of unit sales is based on the location of affiliated and unaffiliated customers.

2. Net sales of power products & other businesses include revenue from sales of power products and related parts, leisure businesses, trading and finance subsidiaries.

* These forecasts are based on the assumption that the exchange rates for the yen to the U.S. dollar and the euro for the current fiscal year will average ¥115 and ¥127, respectively. This announcement contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934. Honda's actual results could materially differ from those contained in these forward-looking statements as a result of numerous factors outside of Honda's control. Such factors include general economic conditions in Honda's principal markets, and foreign exchange rates between the Japanese yen and other major currencies, as well as other factors detailed from time to time in Honda's reports filed with the U.S. Securities and Exchange Commission.

NET SALES BREAKDOWN

For the six months ended September 30, 2003 and 2002
Honda Motor Co., Ltd. and Subsidiaries

	Yen (millions)			
	Six months ended September 30, 2003		Six months ended September 30, 2002	
Motorcycle business:				
Japan	¥ 50,903	10.7%	¥ 51,975	10.4%
North America	130,534	27.5	164,254	33.0
Europe	97,799	20.6	87,221	17.5
Asia	119,881	25.2	107,256	21.6
Others	75,954	16.0	87,128	17.5
Total	<u>¥ 475,071</u>	<u>100.0%</u>	<u>¥ 497,834</u>	<u>100.0%</u>
Automobile business:				
Japan	¥ 631,247	19.3%	¥ 758,141	24.5%
North America	2,015,790	61.7	1,862,010	60.2
Europe	252,169	7.7	204,265	6.6
Asia	263,093	8.1	177,870	5.8
Others	104,959	3.2	89,227	2.9
Total	<u>¥3,267,258</u>	<u>100.0%</u>	<u>¥3,091,513</u>	<u>100.0%</u>
Financial Services:				
Japan	¥ 10,303	8.2%	¥ 11,273	9.6%
North America	111,193	88.1	103,240	88.2
Europe	3,561	2.8	2,589	2.2
Asia	358	0.3	14	0.0
Others	821	0.6	—	—
Total	<u>¥ 126,236</u>	<u>100.0%</u>	<u>¥ 117,116</u>	<u>100.0%</u>
Power products & other businesses:				
Japan	¥ 57,579	36.7%	¥ 55,657	37.8%
North America	52,008	33.2	51,035	34.7
Europe	25,724	16.4	23,691	16.1
Asia	14,272	9.1	10,897	7.4
Others	7,283	4.6	5,868	4.0
Total	<u>¥ 156,866</u>	<u>100.0%</u>	<u>¥ 147,148</u>	<u>100.0%</u>
Total:				
Japan	¥ 750,032	18.6%	¥ 877,046	22.8%
North America	2,309,525	57.4	2,180,539	56.6
Europe	379,253	9.4	317,766	8.2
Asia	397,604	9.9	296,037	7.7
Others	189,017	4.7	182,223	12.4
Total	<u>¥4,025,431</u>	<u>100.0%</u>	<u>¥3,853,611</u>	<u>100.0%</u>

Explanatory notes: 1. The geographical breakdown of net sales is based on the location of affiliated and unaffiliated customers.

2. Net sales of power products & other businesses include revenue from sales of power products and related parts, leisure businesses, trading and finance subsidiaries.

BUSINESS SEGMENT INFORMATION

For the six months ended September 30, 2003 and 2002 and the year ended March 31, 2003
Honda Motor Co., Ltd. and Subsidiaries

Net Sales and Other Operating Revenue	Yen (millions)			
	Six months ended September 30, 2003	% change	Six months ended September 30, 2002	Fiscal year ended March 31, 2003
Motorcycle business:				
Sales to unaffiliated customers	¥ 475,071	(4.6)%	¥ 497,834	¥ 978,095
Automobile business:				
Sales to unaffiliated customers	3,267,258	5.7	3,091,513	6,440,094
Financial services:				
Sales to unaffiliated customers	126,236	7.8	117,116	237,958
Intersegment sales.....	1,311	(24.5)	1,737	3,037
Total.....	127,547	7.3	118,853	240,995
Other businesses:				
Sales to unaffiliated customers	156,866	6.6	147,148	315,352
Intersegment sales.....	5,707	3.9	5,495	10,971
Total.....	162,573	6.5	152,643	326,323
Eliminations	(7,018)	—	(7,232)	(14,008)
Consolidated	<u>¥4,025,431</u>	<u>4.5%</u>	<u>¥3,853,611</u>	<u>¥7,971,499</u>

For the six months ended September 30, 2003 and 2002 and the year ended March 31, 2003
Honda Motor Co., Ltd. and Subsidiaries

Operating Income	Yen (millions)			
	Six months ended September 30, 2003	% change	Six months ended September 30, 2002	Fiscal year ended March 31, 2003
Motorcycle business.....	¥ 8,203	(78.0)%	¥ 37,326	¥ 58,766
Automobile business	248,832	1.0	246,446	560,103
Financial services	40,756	21.6	33,520	61,989
Other businesses.....	4,080	(38.0)	6,577	8,591
Consolidated.....	<u>¥301,871</u>	<u>(6.8)%</u>	<u>¥323,869</u>	<u>¥689,449</u>

GEOGRAPHICAL SEGMENT INFORMATION

For the six months ended September 30, 2003 and 2002 and the year ended March 31, 2003
Honda Motor Co., Ltd. and Subsidiaries

Operating Income	Yen (millions)			
	Six months ended September 30, 2003	% change	Six months ended September 30, 2002	Fiscal year ended March 31, 2003
Japan.....	¥ 77,403	(15.1)%	¥ 91,149	¥202,329
North America.....	169,368	(10.7)	189,610	398,708
Europe	17,349	940.1	1,668	14,185
Asia	24,138	24.9	19,320	37,809
Others	11,299	(18.0)	13,779	23,211
Eliminations	2,314		8,343	13,207
Consolidated.....	<u>¥301,871</u>	<u>(6.8)%</u>	<u>¥323,869</u>	<u>¥689,449</u>

* The geographical segmentation is based on the location where sales originated.

* In addition to the four conventional regions, Japan, North America, Europe and Others, Asia is newly segmented from the first half.

FIVE-YEAR FINANCIAL RESULTS

For the years ended March 31, 2000, 2001, 2002 and 2003 and the six months ended September 30, 2003 Honda Motor Co., Ltd. and Subsidiaries	Year ended March 31, 2000	Year ended March 31, 2001	Year ended March 31, 2002	Year ended March 31, 2003	Six months ended September 30, 2003
Net sales and other					
operating revenue (¥ millions)	¥6,098,840	¥6,463,830	¥7,362,438	¥7,971,499	¥4,025,431
Operating income (¥ millions)	426,230	406,960	639,296	689,449	301,871
Income before income taxes (¥ millions)	416,063	384,976	551,342	609,755	331,881
Net income (¥ millions)	262,415	232,241	362,707	426,662	239,178
Net income per common share,					
basic (¥)	269.31	238.34	372.23	439.43	249.34
Net income per common share,					
diluted (¥)	269.31	238.34	372.23	439.43	249.34
Total assets (¥ millions)	4,898,428	5,667,409	6,940,795	7,681,291	7,991,787
Total stockholders' equity (¥ millions)	1,930,373	2,230,291	2,573,941	2,629,720	2,743,981
Stockholders' equity per					
common share (¥)	1,981.07	2,288.87	2,641.55	2,734.69	2,871.68
Research and development (¥ millions)	334,036	352,829	395,176	436,863	218,872
Capital expenditures (¥ millions)	222,891	285,687	303,424	316,991	128,033
Depreciation (¥ millions)	172,139	170,342	194,944	220,874	103,592

CONSOLIDATED BALANCE SHEETS

March 31, 2003 and September 30, 2003 and 2002
Honda Motor Co., Ltd. and Subsidiaries

Assets	Yen (millions)		
	September 30, 2003	March 31, 2003	September 30, 2002
	(Unaudited)	(Audited)	(Unaudited)
Current assets:			
Cash and cash equivalents	¥ 624,842	¥ 547,404	¥ 518,408
Trade accounts and notes receivable	320,461	444,498	332,185
Finance subsidiaries–receivables, net	1,081,896	1,097,541	980,852
Inventories	784,796	751,980	670,268
Deferred income taxes	200,134	202,376	205,290
Other current assets	311,660	248,561	227,826
Total current assets	<u>3,323,789</u>	<u>3,292,360</u>	<u>2,934,829</u>
 Finance subsidiaries–receivables, net	 2,416,333	 2,230,020	 2,024,071
 Investments and advances	 482,839	 412,971	 395,138
 Property, plant and equipment, at cost:			
Land	347,596	342,991	336,708
Buildings	932,332	942,747	912,139
Machinery and equipment	1,986,273	2,023,724	2,018,426
Construction in progress	93,159	72,112	96,542
	<u>3,359,360</u>	<u>3,381,574</u>	<u>3,363,815</u>
Less accumulated depreciation	1,970,848	1,987,231	1,987,880
Net property, plant and equipment	<u>1,388,512</u>	<u>1,394,343</u>	<u>1,375,935</u>
 Other assets	 380,314	 <u>351,597</u>	 <u>241,612</u>
 Total assets	 <u>¥7,991,787</u>	 <u>¥7,681,291</u>	 <u>¥6,971,585</u>

Liabilities and Stockholders' Equity	Yen (millions)		
	September 30, 2003	March 31, 2003	September 30, 2002
	(Unaudited)	(Audited)	(Unaudited)
Current liabilities:			
Short-term debt	¥ 803,532	¥ 877,954	¥ 937,819
Current portion of long-term debt.....	405,533	304,342	142,231
Trade payables	766,238	830,671	775,584
Accrued expenses	789,475	777,492	719,596
Income taxes payable.....	65,439	64,179	66,269
Other current liabilities	324,475	267,752	232,643
Total current liabilities.....	<u>3,154,692</u>	<u>3,122,390</u>	<u>2,874,142</u>
Long-term debt	1,283,072	1,140,182	953,833
Other liabilities	810,042	788,999	550,260
Total liabilities	<u>5,247,806</u>	<u>5,051,571</u>	<u>4,378,235</u>
Stockholders' equity:			
Common stock	86,067	86,067	86,067
Capital surplus	172,719	172,529	172,529
Legal reserves	32,335	29,391	29,012
Retained earnings.....	3,382,512	3,161,664	2,945,720
Adjustments from foreign currency translation.....	(567,690)	(469,472)	(455,149)
Net unrealized gains on marketable equity securities.....	31,544	14,820	12,611
Minimum pension liabilities adjustments.....	(308,384)	(308,513)	(187,824)
Accumulated other comprehensive income (loss).....	(844,530)	(763,165)	(630,362)
Treasury stock.....	(85,122)	(56,766)	(9,616)
Total stockholders' equity	<u>2,743,981</u>	<u>2,629,720</u>	<u>2,593,350</u>
Total liabilities and stockholders' equity	<u>¥7,991,787</u>	<u>¥7,681,291</u>	<u>¥6,971,585</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended September 30, 2003 and 2002
Honda Motor Co., Ltd. and Subsidiaries

	Yen (millions)	
	Six months ended September 30, 2003	Six months ended September 30, 2002
Cash flows from operating activities:		
Net income.....	¥239,178	¥194,779
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation.....	103,592	102,105
Deferred income taxes	66,145	(8,713)
Equity in income of affiliates	(35,999)	(28,262)
Loss on fair value adjustment of derivative instrument (profit)	(44,410)	43,462
Decrease (increase) in assets:		
Trade accounts and notes receivable	117,169	97,858
Inventories	(50,251)	(62,948)
Increase (decrease) in trade payables	(36,811)	(26,445)
Other, net	(56,008)	60,393
Net cash provided by operating activities.....	302,605	372,229
Cash flows from investing activities:		
Decrease (increase) in investments and advances	21,109	11,785
Capital expenditures	(128,033)	(133,290)
Proceeds from sales of property, plant and equipment.....	7,609	5,517
Decrease (increase) in finance subsidiaries–receivables	(425,584)	(417,561)
Net cash used in investing activities.....	(524,899)	(533,549)
Cash flows from financing activities:		
Increase (decrease) in short-term debt.....	19,679	(4,164)
Proceeds from long-term debt	412,544	349,893
Repayment of long-term debt	(76,343)	(229,568)
Acquisition of treasury stock	(28,769)	(9,567)
Cash dividends paid.....	(15,386)	(14,616)
Increase (decrease) in commercial paper classified as long-term debt.....	354	2,069
Net cash provided by (used in) financing activities.....	312,079	94,047
Effect of exchange rate changes on cash and cash equivalents	(12,347)	(23,760)
Net change in cash and cash equivalents	77,438	(91,033)
Cash and cash equivalents at beginning of year	547,404	609,441
Cash and cash equivalents at end of year	¥624,842	¥518,408

EXPLANATORY NOTES

Honda Motor Co., Ltd. and Subsidiaries

- The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States because the Company has issued American Depositary Receipts listed on the New York Stock Exchange and files reports with the U.S. Securities and Exchange Commission. All segment information, however, is prepared in accordance with a Ministerial Ordinance under the Securities and Exchange Law of Japan.
- The average exchange rates for the fiscal second quarter ended September 30, 2003 were ¥117.60=U.S.\$1 and ¥132.26=euro1. The average exchange rates for the corresponding period last year were ¥119.24=U.S.\$1 and ¥117.32=euro1.
- United States dollar amounts have been translated from yen solely for the convenience of the reader at the rate of ¥111.25=U.S.\$1, the mean of the telegraphic transfer selling exchange rate and the telegraphic transfer buying exchange rate prevailing on the Tokyo foreign exchange market on September 30, 2003.
- The Company's Common Stock-to-ADR exchange rate was changed from two shares of Common Stock to one ADR to one share of Common Stock to two ADRs, effective January 10, 2002.
- The Company has adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 130, "Reporting Comprehensive Income." The following table represents components of the Company's comprehensive income. Other comprehensive income (loss) consists of changes in adjustments from foreign currency translation, net unrealized gains on marketable equity securities and minimum pension liabilities adjustment.

	Yen (millions)	
	Six months ended September 30, 2003	Six months ended September 30, 2002
Net income	¥239,178	¥194,779
Other comprehensive income (loss)	(81,365)	(151,187)
Comprehensive income (loss)	¥157,813	¥ 43,592

- Certain reclassifications have been made to the prior year's consolidated financial statements to conform those financial statements to the presentation used for the fiscal second quarter ended September 30, 2003.
- The number of treasury stocks has been excluded from the calculation for basic net income per common share.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Divided into Non-financial Services Businesses and Finance Subsidiaries (Unaudited)

For the six months ended September 30, 2003
Honda Motor Co., Ltd. and Subsidiaries

	Yen (millions)	
	Six months ended September 30, 2003	
	Non-financial services businesses	Finance subsidiaries
Cash flows from operating activities:		
Net income	¥215,830	¥ 23,373
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	103,397	195
Deferred income taxes	23,620	42,525
Equity in income of affiliates	(35,947)	—
Loss on fair value adjustment of derivative instrument (profit)	(42,848)	(1,562)
Decrease (increase) in trade accounts and notes receivable	112,349	—
Decrease (increase) in inventories	(50,251)	—
Increase (decrease) in trade payables	(37,392)	—
Other, net	(35,087)	(16,345)
Net cash provided by operating activities	253,671	48,186
Cash flows from investing activities:		
Decrease (increase) in investments and advances*	33,460	19
Capital expenditures	(127,870)	(163)
Proceeds from sales of property, plant and equipment	5,014	2,595
Decrease (increase) in finance subsidiaries—receivables	—	(430,018)
Net cash used in investing activities	(89,396)	(427,567)
Free cash flow (cash flows from operating and investing activities)	164,275	(379,381)
Free cash flow of non-financial services businesses excluding the increase in loans (amounting to ¥81,986 million) to finance subsidiaries (Note)	149,966	—
Cash flows from financing activities:		
Increase (decrease) in short-term debt*	(22,570)	26,099
Proceeds from long-term debt*	5,126	414,720
Repayment of long-term debt*	(5,684)	(70,834)
Proceeds from issuance of common stock	—	1,860
Acquisition of treasury stock	(28,769)	—
Cash dividends paid	(15,411)	—
Increase (decrease) in commercial paper classified as long-term debt	—	354
Net cash provided by financing activities	(67,308)	372,199
Effect of exchange rate changes on cash and cash equivalents	(11,582)	(765)
Net change in cash and cash equivalents	85,385	(7,947)
Cash and cash equivalents at beginning of year	530,343	17,061
Cash and cash equivalents at end of year	¥615,728	¥9,114

Notes: Non-financial services businesses loans to finance subsidiaries. These cash flows were included in the items of "Other, net" of non-financial services businesses, and "Increase (decrease) in short-term debt", and "Repayment of long-term debt" of finance subsidiaries (marked by *).

Free cash flow of non-financial services businesses excluding the increase in lending to finance subsidiaries are stated for readers' information.

UNCONSOLIDATED FINANCIAL SECTION

UNCONSOLIDATED BALANCE SHEETS

March 31, 2003 and September 30, 2003 and 2002
Honda Motor Co., Ltd.

Assets	Yen (millions)		
	September 30, 2003	March 31, 2003	September 30, 2002
Current assets	¥ 843,731	¥ 829,444	¥ 783,642
Cash and bank deposits.....	313,546	236,336	165,257
Notes/accounts receivable.....	233,424	281,278	235,441
Inventories	130,360	129,999	119,092
Other	169,548	185,533	266,744
Allowance for doubtful accounts.....	(3,149)	(3,704)	(2,895)
 Fixed assets	 1,274,329	 1,231,887	 1,217,210
Tangible fixed assets.....	598,854	593,607	583,016
Buildings.....	183,176	174,581	168,358
Machinery and equipment	83,428	87,484	93,153
Land	252,944	249,258	242,710
Other	79,304	82,283	78,794
Intangible fixed assets.....	6,155	5,688	3,467
Investments and others.....	669,319	632,592	630,727
Investment securities.....	501,218	466,527	471,267
Other investments	187,773	185,876	178,911
Allowance for doubtful accounts.....	(19,673)	(19,812)	(19,451)
 Total assets	 <u>¥2,118,061</u>	 <u>¥2,061,331</u>	 <u>¥2,000,853</u>

Explanatory note: The amounts described above disregard figures of less than one million yen.

Liabilities and Stockholders' Equity	Yen (millions)		
	September 30, 2003	March 31, 2003	September 30, 2002
Current liabilities	¥ 481,579	¥ 525,315	¥ 500,231
Notes/accounts payable.....	274,306	280,392	293,055
Short-term bank loans.....	2,554	3,352	626
Accrued expenses.....	21,736	36,478	31,655
Accrued product warranty.....	47,666	47,978	43,078
Accrued employees' bonuses.....	36,046	41,132	31,440
Other.....	99,269	115,982	100,376
Fixed liabilities	131,066	114,761	91,079
Long-term bank loans.....	798	883	949
Reserve for product warranties.....	37,172	38,313	30,444
Accrued employees' retirement benefits.....	83,257	65,176	49,474
Other.....	9,838	10,388	10,211
Total liabilities.....	612,646	640,077	591,311
Common stock	86,067	86,067	86,067
Capital surplus	170,504	168,912	168,912
Retained earnings (including legal reserves)	1,295,782	1,201,333	1,138,572
Unrealized gains on securities available for sale	38,183	21,707	25,606
Treasury stock	(85,122)	(56,766)	(9,616)
Total stockholders' equity.....	1,505,415	1,421,254	1,409,541
Total liabilities and stockholders' equity	¥2,118,061	¥2,061,331	¥2,000,853

Note: Reclassifications on stockholders' equity have been made to the prior periods-end to conform to the Amended Regulations Concerning the Terms, Forms and Methods of Preparation of Semi-annual Financial Statements, Etc.

UNCONSOLIDATED STATEMENTS OF INCOME

For the six months ended September 30, 2003 and 2002
and forecasts for fiscal year ending March 31, 2004
Honda Motor Co., Ltd.

	Yen (millions)		FORECASTS*
	Six months ended September 30, 2003	Six months ended September 30, 2002	Fiscal year ending March 31, 2004
Ordinary profit and loss:			
Operating profit and loss:			
Operating revenue:			
Net sales	¥1,580,708	¥1,625,558	¥3,310,000
Operating expenses:			
Cost of sales	1,036,615	1,108,036	
Selling, general and administrative expenses	453,792	451,359	
Operating profit	90,299	66,162	
Non-operating profit	70,586	62,837	
Non-operating expenses	8,753	8,238	
Ordinary profit	152,131	120,762	278,000
Extraordinary profit	1,987	1,474	
Extraordinary loss	4,310	4,108	
Income before income taxes	149,809	118,128	
Income taxes:			
Current	46,148	51,883	
Deferred	(6,654)	(25,469)	
Net income	110,315	91,714	202,000
Unappropriated retained earnings at beginning of period	33,918	32,366	
Unappropriated retained earnings at end of period	¥ 144,233	¥ 124,081	

Explanatory note: The amounts described above disregard figures of less than one million yen.

** These forecasts are based on the assumption that the exchange rates for the yen to the U.S. dollar and the euro for the current fiscal year will average ¥115 and ¥127, respectively. This announcement contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934. Honda's actual results could materially differ from those contained in these forward-looking statements as a result of numerous factors outside of Honda's control. Such factors include general economic conditions in Honda's principal markets, and foreign exchange rates between the Japanese yen and other major currencies, as well as other factors detailed from time to time in Honda's reports filed with the U.S. Securities and Exchange Commission.*

COMMON STOCK INFORMATION

As of September 30, 2003
Honda Motor Co., Ltd.

Number of shares authorized to be issued	3,600,000,000 shares
Number of shares issued and outstanding	974,414,215 shares
Number of stockholders	56,386
Share prices (closing prices on the Tokyo Stock Exchange)	High ¥5,510 (September 2003)
	Low ¥3,570 (April 2003)
	Close ¥4,470 (September 30, 2003)

BREAKDOWN OF STOCKHOLDERS

As of September 30, 2003
Honda Motor Co., Ltd.

	Number of stockholders	Number of shares held (thousands)
Individuals and others	54,419	64,029
Government and municipal corporations	1	4
Financial institutions	266	475,834
Securities companies	41	3,500
Domestic companies and others	715	98,324
Foreign institutions and individuals	943	313,836
Treasury stock	1	18,884
Total	<u>56,386</u>	<u>974,414</u>

Explanatory notes: 1. The number of shares described above disregard figures of less than one thousand shares.
2. Domestic companies and others include shares of the Japan Securities Depository Center.

PRINCIPAL STOCKHOLDERS

As of September 30, 2003
Honda Motor Co., Ltd.

	Number of shares held (thousands)	%
Japan Trustee Services Bank, Ltd.	48,958	5.0
State Street Bank and Trust Company, N.A.	41,768	4.3
The Master Trust Bank of Japan, Ltd.	41,360	4.2
The Bank of Tokyo-Mitsubishi, Ltd.	40,555	4.2
The Tokio Marine & Fire Insurance Co., Ltd.	37,459	3.8
The Chase Manhattan Bank, N.A., London	30,442	3.1
Meiji Life Insurance Company	28,444	2.9
UFJ Bank, Limited	25,929	2.7
Sompo Japan Insurance Inc.	23,830	2.4
The Mitsubishi Trust & Banking Corp.	<u>21,769</u>	<u>2.2</u>

Explanatory notes: 1. The number of shares described above disregard figures of less than one thousand shares.
2. Number of shares of the Company's common stock held by Japan Trustee Services Bank, Ltd., The Master Trust Bank of Japan, Ltd., are owned exclusively in connection with their trust businesses.
3. State Street Bank and Trust Company, N.A. and The Chase Manhattan Bank, N.A., London conduct custody services of the Company's common stock mainly owned by institutional investors in Europe and the United States and are also nominees of shares of the Company's common stock held by such institutional investors.

FIVE-YEAR FINANCIAL RESULTS (UNCONSOLIDATED)

For the years ended March 31, 2000, 2001, 2002 and 2003 and the six months ended September 30, 2003 Honda Motor Co., Ltd.	Year ended March 31, 2000	Year ended March 31, 2001	Year ended March 31, 2002	Year ended March 31, 2003	Six months ended September 30, 2003
Net sales (¥ millions).....	¥2,919,840	¥3,042,022	¥3,211,186	¥3,322,719	¥1,580,708
Ordinary profit (¥ millions).....	201,440	137,374	218,987	242,680	152,131
Net income (¥ millions).....	135,322	11,326	134,925	170,035	110,315
Net income per common share (¥)	138.88	11.62	138.47	174.63	115.00
Total assets (¥ millions)	1,758,588	1,765,814	1,937,805	2,061,331	2,118,061
Stockholders' equity (¥ millions).....	1,212,899	1,236,686	1,342,648	1,421,254	1,505,415
Stockholders' equity per common share (¥).....	1,244.75	1,269.16	1,377.92	1,477.49	1,575.48
Common stock (¥ millions).....	86,067	86,067	86,067	86,067	86,067
Stockholders' equity ratio (%)	<u>69.0%</u>	<u>70.0%</u>	<u>69.3%</u>	<u>68.9%</u>	<u>71.1%</u>

Explanatory note: The amounts over one million yen described above disregard figures of less than one million yen.

BOARD OF DIRECTORS

As of September 30, 2003

Chairman and Representative Director

Yoshihide Munekuni

President and Representative Director

Takeo Fukui

Executive Vice President and Representative Director

Koichi Amemiya

Senior Managing and Representative Directors

Michiyoshi Hagino

Minoru Harada

Motoatsu Shiraishi

Satoshi Aoki

Hiroshi Okubo

Managing Directors

Atsuyoshi Hyogo

Satoshi Dobashi

Satoshi Toshida

Koki Hirashima

Koichi Kondo

Yasuo Ikenoya

Toru Onda

Akira Takano

Takanobu Ito

Directors

Satoru Kishi

Mikio Yoshimi

Masaaki Kato

Shigeru Takagi

Masahiro Yoshimura

Hiroshi Kuroda

Akio Hamada

Teruo Kowashi

Seiichi Moriguchi

Tetsuo Iwamura

Takashi Yamamoto

Masaru Takabayashi

Tatsuhiko Oyama

Suguru Kanazawa

Manabu Nishimae

Fumihiko Ike

Masaya Yamashita

Hiroshi Kobayashi

Director and Advisor

Hiroyuki Yoshino

Corporate Auditors

Kunihiro Chujo*

Koji Miyajima*

Koukei Higuchi

Kuniyasu Yamada

* Full-time service auditor

